MISSION AUSTRALIA

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09 September 1999

Reference: Issues specific to older workers seeking employment, or establishing a business, following unemployment

Please find enclosed the response to a question taken on notice by Peter Richardson (General Manager, Employment Services) at the 15 July 1999 presentation to the House of Representatives Standing Committee on Employment Education and Workplace Relations.

The committee also made a request for a copy of the recent study into unemployment in South Western Sydney *(Unemployment and Health Project).* A copy of this report has also been provided.

Mission Australia thanks the Committee for the opportunity to discuss the issue of mature workers and unemployment. Please do not hesitate to contact us for further information or discussions on the topic.

Yours sincerely

Linda Taylor
Social Policy Officer
Mission Australia

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16th March 1999

Mr Patrick McClure
Chief Executive Officer
Mission Australia
4 - 10 Campbell Street
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Dear Mr McClure,

Re: Developing a Research and Development Agenda in the area of Unemployment and Health

On Thursday 8th April, we will be holding a one day workshop to discuss the development on a National Research and Development Agenda in the area of unemployment and health. This meeting is being held to coincide with a visit to Sydney by Ann Hammerstrom and Urban Janlert, two internationally recognised Researchers in this area from Scandinavia.

The purpose of the meeting is to:

- Provide an overview of international trends in unemployment and health research,
- Map current research and development activities in the area of unemployment and health
- Identify gaps and emerging issues, and
- Suggest action that could facilitate the development of a research and development agenda.

The Centre for Health Equity Training Research and Evaluation has a very long term commitment to developing interventions that will prevent or reduce the impact of unemployment on health. We see this meeting as providing an opportunity for those with an interest in this area to meet to discuss current research and development activity around Australia, identify gaps and possible areas where action can be taken.

The recent National Mental Health and Well Being Survey has again demonstrated the importance of these issues, with unemployed people having significantly higher levels of anxiety, depression and substance abuse compared to people who are employed.

We also know that people who are unemployed have high rates of premature mortality from CVD, some cancers and injury. This places unemployment at the centre of the major health priorities in Australia.

The issue are present is to, move beyond describing the health problems of people who are unemployed to taking action to prevent or reduce these impacts. Although the long term answer lies in the creation of more jobs and that can be taken to address immediate health concerns, for example, GP interventions, working with employment groups.

If you are interested and able to attend could you please return the attached form. If you would like more information could you please contact me on (02) 9828 6230.

Yours sincerely,

Elizabeth Harris
Deputy Director

- CHETRE represents a consortium between the Faculty of Medicine, UNSW, Faculty of Health UWS Macarthur, and South Western Sydney Area Health Services. It is funded by a research and development covant from NSW Health.

Abstract:

The increasing evidence of a causal relationship between unemployment and poor physical and mental health presents a challenge to the health system. A number of factors have been identified as influencing the capacity of the health system to respond to this issue including: a feeling of powerlessness that workers can influence unemployment in any way; a belief that the impact of unemployment is not a health problem; the lack of any effective interventions; and the inability of the health system to deal with the problem due to organisational and structural problems, including vertical organisation of the health system around disease groups.

This paper describes four projects that have been developed in South Western Sydney over the past five years to address the health-related problems of unemployment: a training program for general practitioners, a cognitive behavioural intervention for people who are unemployed, a community based response to a mine closure, and the development of strategies within the Area Health Service to increase access to employment within the organisation for people who are unemployed.

The *Unemployment and Health Project* has demonstrated that it is possible to take action to address the health-related problems of people who are unemployed. However dissemination of these actions remains problematic due to an underestimation of the nature and extent of the problems, the structure of the health system, and current dismantling of the infrastructure to address the needs of people who are unemployed. The scarcity of interventions is not an excuse for inaction but a call for commitment and imagination.

Taking action to address the health impact of unemployment: experiences from South Western Sydney.

For over 50 years evidence of an association between unemployment and poor physical and mental health has been consistently demonstrated in large scale longitudinal, cross sectional and case control studies. [1 2 3 4] Over this time there has been a continuing debate on whether this association was due to the general effects of poverty, adoption of unhealthy lifestyle, loss of employment due to illness or to unemployment itself. And although it is recognised that all of these factors play a role, a recent Australian review of the literature concluded: *Health selection effects do occur, but longitudinal studies provide reasonably convincing evidence that unemployment has a direct effect on health over and above the effects of socioeconomic status, poverty, risk factors, and prior ill health.* [5]

Despite the weight of this evidence and broad community understanding of the high social and psychological costs of unemployment there have been few reported interventions within the health system that sought to prevent or reduce the impact of unemployment on health.[6] This seems in part to be related to the absence of a specific unemployment-related illness, and to a belief that unless interventions result in employment there is little that can be done.

This paper examines some of the perceived difficulties and challenges to health sector activity in addressing unemployment, and describes a number of strategies developed in South Western Sydney over the past five years to reduce the impact of unemployment on health.

Unemployment and health

The literature suggests that the relationship between unemployment and resultant poor health outcomes is complex, related to the broad social and economic environments in which people are living, and appears to have differing impacts depending on age and gender. [1 7 8]

Data in the recently released *Mental Health and Well Being Profile of Australians* supports these findings in relation to Australians in the labour force (See Table 1).[9] Compared to people in full time employment, people who were unemployed consistently reported almost double the rate of anxiety, affective disorders and substance abuse. A gradient was observed in differing rates between people employed full time, people employed part time and those who were unemployed. And while between 52-57% of people working full or part time reported no medical or physical conditions, only 39% of people who were unemployed reported having no problems.

There is also evidence from Australia and overseas that higher rates of psychological distress emerge with unemployment (or for young people failing to find work on entry into the workforce) and improves on finding work.[10] Some studies suggest that the impact of unemployment increases with duration, although this is not a consistent finding with some studies suggesting that a plateau is reached as the person adapts to unemployment. [4 11] There is also evidence that chronic health problems of people who are unemployed which emerge following unemployment can act as barriers to their return to Work. [12 13]

Is there a role for the health sector?

The health sector faces a number of difficulties in attempting to address the impact of unemployment on health. In our experience the issues raised by workers across the health system include: a feeling of powerlessness that they can influence unemployment in any way; a belief that the impact of unemployment is not a health problem and interventions need to result in people finding work; a perception that there is no evidence of a causal relationship between unemployment and health that is independent of poverty or unhealthy lifestyle; the lack of any effective interventions; the inability of the health system to deal with the problem due to organisational and structural problems, including vertical organisation of the health system around diseases; the difficulty in making contact with people who are unemployed who are often invisible in the community; and dealing with the stereotypes that many people have about people who are unemployed as being lazy, enjoying life on the beach or being too willing to be looked after by the rest of the community.

However faced with the increasing evidence of a causal relationship between unemployment and health, particularly mental health, it is important for the health system-to consider what role it may have in both the prevention of unemployment and also reducing the impact of unemployment on health.

The *Unemployment and Health Project* in South Western Sydney

The local government areas covered by South Western Sydney Area Health Service (SWSAHS) have very high levels of unemployment, with some areas having among the highest rates of unemployment in urban Australia. Over the past five years the General Practice and Health Promotion Units of SWSAHS have worked with other parts of the health sector, other government departments and community organisations to explore ways in which the health-related problems of people who are unemployed in our area could most effectively be addressed.

In order to begin thinking about what could be done a working group was formed with representatives from general practice, health promotion, community health, mental health, youth health, drug and alcohol services, community organisations, and people who were unemployed. This group held extensive consultations with other government departments, local government, community groups and health workers. They also sponsored a number of focus groups with people who were unemployed, general practitioners, and other health service providers. Based on the consultations and focus groups a number of principles emerged that have guided action:

- The proposed interventions should not involve the establishment of special services for the unemployed. These were seen by people who were unemployed and service providers as stigmatising and, given the limited financial resources available, unlikely to be sustained beyond a pilot period.

- The interventions would not require additional resources for the health sector to provide services as they were already dealing with many of these problems, though perhaps not in the most effective way. Resources should not be shifted into health from other areas of government funding that were more directly related to employment generation or training.

- Projects needed to be able to reach large numbers of people who were unemployed. This was seen as best achieved by working in the settings where unemployed people could already be found.

- As there was little support within the community for interventions that did not approach the health problems of people who were unemployed in a holistic way, projects would address physical and mental health issues together.

Throughout the consultations the health sector was seen as having an important role in reducing the impact of unemployment on health. This was most clearly seen as developing pathways back to work and a meaningful way of life for people who are unemployed by ensuring that existing health problems are identified and adequately managed and do not act as barriers to a return to work. Action to prevent health problems and link people who are unemployed to appropriate training, income and social support systems was part of this process. People who were unemployed did not perceive that they needed to be found a job as an *essential* part of any action to improve their health.

As well as these more individually based strategies the consultations identified a role for the health sector in taking action to build the capacity of individuals and communities to reduce the impact of unemployment on health, and in acting as advocates for the

employment generational policies and programs. It was recognised that sectors other than health had the major responsibility for creating employment opportunities.

Four of the projects that have been undertaken within SWSAHS are described. They were chosen to reflect the different levels of strategies identified by Whitehead to tackle health inequalities. [14] They are the GP *Unemployment and Health Project* (access to services); a Cognitive Behavioural Therapy Intervention for people who are unemployed (building personal capacity); the local community response to a mine closure (building community capacity); and the SWSAHS Employment Strategy (policy initiatives).

GP Unemployment and Health Project.

General Practitioners (GPs) have regular contact with people who are unemployed and their families. GPs did not need to be convinced that unemployment affects health. However it was often not clear what they could do to address the health-related problems of people who were unemployed. As a result of the focus groups outlined above and further consultation with individual GPs guidelines on the GP management of people who are unemployed were developed.

GPs participating in GP *Unemployment and Health Project* were required to attend a focus group to identify their needs, attend two training sessions (Part 1: Clinical care; Part 2: Services for people who are unemployed), and then to audit their management of a number of unemployed patients. The project has been shown to significantly increase the confidence of GPs in managing the health problems of people who are unemployed and in their knowledge of services, as well, in 28 of the 30 areas audited their practice improved. [13]

We are currently revising the manual and exploring alternate ways in which GPs may be able to participate in the program. *CBT Intervention for People in training programs.*

Another place where people who are unemployed could readily be found was in Skillshares. These training bodies were funded by the Commonwealth to provide support and training for people who were long term unemployed or who faced significant barriers in returning to work.

The *Unemployment and Health Project* was initially invited to Bowral Skillshare to identify ways in which the organisation could improve the health of people who were unemployed attending their programs. Preliminary studies suggested that the Skillshare was improving the health of people who were unemployed in three main ways: connecting participants back into the wider social structures of the community (including referral to services); developing self esteem and personal problem solving skills; and providing specific skills (such as computer literacy). A pre and post test of those attending various Skillshare courses demonstrated an improvement in some areas of mental health, however there was concern that the benefits were quickly lost if participants did not find a job. [15]

At the same time the *Unemployment and Health Project* became aware of work that had been undertaken in Queensland by Creed et al in providing training to young unemployed people based on cognitive behavioural therapy.[16] There appeared to be immediate positive impacts on mental health that were sustained over several months after the program's completion. This program was adapted and piloted by the *Unemployment and Health Project* during 1997 with view to offering in its use to

Skillshares in the area. Six of the ten participants who attended the pilot course found work within three months and while this was significantly higher than expected the small sample size and lack of control meant that this outcome could not be attributed to the program. [17]

In late 1997 Proudfoot et al reported on a randomised controlled trial of a similar program in London. [18] Those in the CBT program intervention group showed significantly greater improvements in self esteem, job-seeking. self-efficacy, attributional style, motivation for work and life satisfaction than the control group. Importantly, almost three times as many CBT participants than control group participants had found employment four months after training.. This provided us with further evidence of the possible beneficial impact of our program on the mental health status of people who were unemployed.

Unfortunately the Commonwealth government no longer funds Skillshares and the opportunity to work in training settings has been substantially reduced. In recent times the *Unemployment and Health Project* has been negotiating with different providers in the new Job Network in a study on the effectiveness of the program with their long term unemployed clients. In the longer term it is hoped that if the program is demonstrated to be effective the Job Network providers may be interested in offering the training program routinely to their clients.

Community Response to a mine closure

In 1995 Clutha mines, located on the edge of Sydney, suddenly closed leaving approximately 600 miners unemployed and many more workers and employers affected as the impact rippled through the community. The Camden Wollondilly Health Service joined with other community based organisations and government departments to look at ways of reducing the impact of unemployment on those directly affected and the community as a whole.

Soon after the closure was announced information sessions for miners were run by the Department of Social Security, the Commonwealth Employment Service and the Union. The *Unemployment and Health Project* ran a training, evening for local GPs. A meeting was also called of locally based organisations to look at ways in which they could respond to the problem. A broad range of individuals and groups were present at the meeting including local government and state politicians, retrenched workers, local health and welfare workers and representatives of local community groups (such as the CWA) and clubs. As a result of this meeting the Community Response Initiative was established as a sub-committee of the Healthy Towns Project to take both long and short term action on ideas put forward at the meeting.

Fortunately a local buyer was found for the mine and it was reopened with the majority of miners being re-employed. The Committee decided to keep meeting to address the needs of the miners who were not re-employed (these were often people on "light duties" because of past injury) and to address the underlying economic vulnerability of the community to mine closures.

SWSAHS Employment Strategy

SWSAHS is the second largest employer in South Western Sydney after Coles/Myer and it seemed to us that there should be some way in which SWSAHS could find jobs for people who were long term unemployed jobs. With financial support from the Department of Employment Education and Training a number of initiatives have been undertaken over the past two years by the *Employment Project* that have resulted in many unemployed people finding work.

- **New Work Opportunities Program**

TheArea Health Service ran a number of programs for long term unemployed people in clerical skills, recreation/driving, and migrant health information officers. Of the 60 people enrolled, 49 successfully completed the course (82%). Three months following the course 29 of those completing the course (60%) found full time work and 3 (6%) casual work (25 of the 31 finding work were employed in SWSAHS). Four participants went on to further study and eleven became volunteers in the communities where they had been working as drivers or bi-lingual health workers. Only two of the participants completing the course did not have a positive outcome from the training

- **Commonwealth Employment Service(CES) Referral System.**

Prior to the *Employment Project* there had been no referral of CES clients to SWSAHS vacancies. As part of the project a referral system was established that notified SWSAHS vacancies to the CES, systems were established for identifying CES clients who met essential and desirable qualifications, and provided feed back to the CES on the interview performance of the people they referred. Over the two year period the project operated 168 CES referred people were employed in SWSAHS. Ninety six percent of those appointed in the first eighteen months were still employed six months after they commenced work.

- **Aboriginal and Torres Strait Islander Employment Opportunities.**

The inclusion of a target of 2% employment for Aboriginal and Torres Strait Islander people in the NSW Health Performance Agreement with Area Health Services has made it easier to find support for initiatives that require managers to allocate resources to employing indigenous people. SWSAHS now has: twenty six traineeships for indigenous people organised through the Health Services Group Training Company in clerical areas and catering; fifteen positions for indigenous people to be employed in non designated Aboriginal Health positions; and two scholarships for Aboriginal Health Workers to undertake a graduate diploma of Indigenous Health Promotion. A committee has been established that reports directly to the Area Human Resources Committee to identify and implement strategies to improve levels of indigenous employment and support existing workers.

Discussion

The *Unemployment and Health Project* has been able to demonstrate that it is possible for the health sector to take actions to address the health needs of people who are unemployed - through better service provision, increasing the capacity of individuals and communities and policy development. However dissemination of the project's activities and ensuring that they reach substantial numbers of people who are unemployed remains problematic.

Our experience in working across the health sector is that most health workers do not understand the strength of the evidence that unemployment affects health and that the structural nature of unemployment in Australia means that job growth by itself will not ensure a fall in unemployment in many populations and regions. The role of the health

sector in reducing the impact of unemployment on health or in dealing with the consequences of unemployment needs to be clearly communicated.

This is in part related to the vertical organisaton of the health system around diseases which often means that workers try to address these issues in a fragmented way - by disease or risk factors: unemployment and mental health, smoking or methadone. Few projects have the freedom the *Unemployment and Health Project* has to move within the health system to establish projects at different levels within and between organisations. In the same way as there is increased recognition for a whole of government approach to addressing some health problems, we also need to recognise the need for internal mobilisation to put a wide variety of strategies in place.

There is a valid concern that unemployment should not be medicalised. Ultimately the solutions to the health -related problems of unemployment are not to be found in GP consulting rooms or health promotion programs. For this reason it is important that the health system advocates strongly to governments that they recognise and address the direct and indirect costs to the health system and community of unemployment. However in order to be effective on this issue we need to act as if we believe that unemployment is impacting on health and to do what we can within our mandate, the prevention and treatment of health-related problems, in a systematic and effective way.

From a population perspective we need to develop interventions that have the potential to reach large numbers of people who are unemployed. Our experience is that the settings where this could most effectively be done were within general practice, training organisations and the CES where there was face to face and ongoing contact with people who are unemployed. Recent government policy changes have led to the abolition of the CES and training organisations and their replacement with the Job Network. It is too early to assess the long term impact of these changes both on employment outcomes for people who are unemployed and the ease with which the health sector can work with them.

However in the short term we are faced with a proliferation of organisations that are in competition with each other to match people with work and less focus on training.

Conclusion

At any time over the last five years there have been over 800,000 people unemployed in Australia. The number of people who are experiencing periods of long term unemployment is increasing. Our challenge is to develop strategies that can both prevent and reduce the health impact of unemployment. The lack of few demonstrated effective interventions is not seen as an excuse for inaction. It is a challenge to the imagination of health workers and commitment of health services to develop ways to prevent and reduce the impact of unemployment on health.

Acknowledgments:

This paper describes activities that have involved many people over the past five years. The authors wish to recognise their contribution in supporting and developing the *Unemployment and Health Project* and the projects outlined in this paper. These include: Ken Brown (CEO

SWSAHS); Ian Webster (Director of the Division of Population Health, SWSAHS and Clinical Dean, UNSW); Jo Mitchell and Mandy Williams (Directors of Health

Promotion in SWSAHS Mira Savich, Sheree Stuart and Brendan Keleher (SWSAHS Employment Project); Tim Wills and Vicki Kearney (Healthy Towns Project); Bob Fisher and Elizabeth Comino (GP Project); Peter Creed and Justine Lum (CBT Intervention). We would also like to thank the many people who are unemployed, GPs, community health and community workers who have made the activities outlined in this paper possible. Designated funds for these projects have come from the Health Promotion Unit (SWSAHS), the Commonwealth Department of Health and Community Services (GP Branch and GPEP) and the Commonwealth Department of Employment Education and Training. There have been many contributions of time and resources from other parts of the health system. other government departments and community organisations.

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Table 1 Age Standardised Prevalence Rates of disorders for persons in the workforce			
	Employed %		**Unemployed %**
	Full time	**Part time**	
Physical Conditions	33.5	37.6	29.8
Mental Disorders:			
Anxiety disorders	7.1	10.2	14.9
Affective Disorders	3.8	6.4	10.1
Substance Use Disorders	7.8	7.2	15.6
Total mental Disorders* (*includes people with co-morbidity)	15.0	17.9	26.7
No mental or physical conditions	56.8	52.0	39.2
Total	**100.00**	**100.00**	**100.00**
Total persons	**6104.1**	**2420.2**	**565.40**
Source: Table 8, Mental Health and. Wellbeing Profile of Adult Australians. ABS 1997			

Allocating Paid and Unpaid Overtime to Full Time Employment for Other Workers

There are a series of employer and employee attitudes that work against the proposition of allocating paid and unpaid overtime to full time employment for other workers.

These are:

1. ***Employer Attitudes***

1.1 If you don't work overtime you are not committed to the organisation"

1.2 If you don't work unpaid overtime you are not committed to the organisation"

1.3 It is easier and cheaper to stretch the workers you have than to have more employers. That is:

a) *Cheaper:* less staff to supervise, unpaid overtime is free labour, less insurance (workers compensation etc)

b) *Easier:* more work continuity, easier to coordinate

1.4 The increased use of casual/temporary staff is a more flexible source of labour with a minimum commitment by the employer to a permanent workforce. It is our understanding that major organisations are looking to at least 10% of their staff being in this category. This has also been a major solution to longer trading hours demanded in some industries (for example, 7 days trading)

2. Employee Attitudes

2.1 Financial commitments, retirement financial obligations and material life expectations all drive employees to undertake overtime (paid) rather than seek quality of life shorter hours.

2.2 With the recent expansion of labour shedding and 'down-sizing' of organisations, employees are fearful of being retrenched. Employees, therefore, have an attitude of wanting to present to employers a picture of "being committed" and "putting in the extra hours". Employees are keen to maximise their financial income in case they are retrenched.

2.3 Some categories of employees (for example, migrants) are making a new life and are keen to work as long and as hard as possible to achieve this.

3. ***Attitude of Mature Workers***

Mature Workers, because of their life experience, can have a greater tendency to opt for a "quality of life" work option and not wish to work paid of unpaid overtime. We would suggest this is generally interpreted by employers as a lack of commitment to the organisation and contrary to employer labour needs.

4. Conclusion

With such strong prevailing attitudes by employers and employees it is difficult to see how a redistribution of overtime to paid work could be achieved without major intervention into the labour market functions. Placing a ceiling on the maximum amount of overtime worked per employee per day or week, encased within Occupational Health and Safety legislation, may be one possibility. Facilitation of the unemployed

into the casual and temping markets may be another possible avenue to redirecting the unemployed back into the workplace.

There is little doubt that 'quality of life' choices by mature workers are poorly regarded by employers and would lead to higher levels of retrenchment of older workers because of their procured 1ack of commitment" to the organisation and poor fit to employer requirements of employees.